

Hospital Purchase

Hospital Purchasing Policy Gives Edge to County Businesses

By Roger Hite, *Buy S.C. 6/92*
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Recently, Sister Julie Hyer, President and Chief Executive Officer of Dominican Santa Cruz Hospital, was impressed with the program developed by the Chamber of Commerce aimed at encouraging individuals to "Buy Santa Cruz County."

At one of our weekly administrative staff meetings she suggested that we take a leadership role in developing a purchasing policy for the hospital which would demonstrate how *businesses*, as well as individuals, could emulate "Buy Santa Cruz" behavior. What we came up with was a major modification of our purchasing policy that we believe will allow greater numbers of local suppliers and businesses to help us meet our needs for goods and services.

Each year, Dominican Santa Cruz Hospital purchases millions of dollars of supplies and services from companies locally and across the United States. We buy everything from sophisticated medical equipment and complex medical supplies to chocolate chip cookies.

The more dollars we can spend locally at Santa Cruz County businesses, the more dollars we can keep in the county for jobs and taxes.

We recognize that, like any business, we have an obligation to our customers to provide the highest quality supplies and equipment at the lowest possible cost. Much of what we need is not available in Santa Cruz, and many of

our medical supplies are acquired through participation in a 14-hospital medical group sponsored by Catholic Healthcare West. Through this large group we can get a price substantially lower than we could buying independently.

Besides medical items, there is a substantial amount of other goods and services that we can purchase locally. To foster business relationships with local suppliers, we developed the following new 3-part purchasing policy:

First, "minor" goods and services not subject to our bidding process *will be purchased only from local merchants*. If, after a reasonable search, we can't find the service or item locally, we will buy it out of county.

Second, local businesses will

be encouraged to participate in bidding on all goods and services, through a 3%



"buy local" advantage. *If a Santa Cruz business bids up to 3% more for comparable quality supplies, equipment or work, and can provide support and maintenance services when appro-*

appropriate, we will award the bid to the local vendor, rather than the lowest out-of-county bidder.

Third, we will post information regarding all goods, services and/or projects currently out for bid in the office of our Director of Materials, Larry Carlson, who played an important role in drafting this new policy. He and his staff are committed to implementing it to the benefit of local businesses. I encourage all local businesses to maintain contact with Larry's office to learn about new bidding opportunities.

I believe this new policy will help us work more closely with local businesses to meet the needs of our patients, *and to make the most positive impact on the economy of Santa Cruz County*. I look forward to reviewing the results of the first full year of this program to see how much it has allowed us to reciprocate the support we get from the Santa Cruz business community.